

**Western Area Power Administration
Request for Proposals
Regarding the Purchase of Renewable Energy Certificates
June 1, 2011**

1. **BACKGROUND:** Western Area Power Administration (Western), a power marketing administration within the U.S. Department of Energy (DOE), desires to purchase Renewable Energy Certificates (RECs) under this Request for Proposals (RFP). The Upper Great Plains Region (UGPR) is the contracting office on behalf of Western. The purchase, made by Western on behalf of Federal agencies as identified in this RFP, is pursuant to the Economy Act, 31 U.S.C. § 1535, as supplemented; the Acts of Congress approved June 17, 1902 (32 Stat. 388); February 25, 1905 (33 Stat. 814); August 4, 1939 (55 Stat. 1187); December 22, 1944 (58 Stat. 887); July 3, 1952 (66 Stat. 325); April 11, 1956 (70 Stat. 105); August 4, 1977 (91 Stat. 565), and Acts amendatory or supplementary to the foregoing Acts. This proposed acquisition is not subject to the Federal Acquisition Regulation. Western encourages small and minority-owned businesses and Native American Tribes to apply.

The following Federal entities, each sometimes hereinafter individually called "Party," and all sometimes hereinafter collectively and/or in conjunction with Western, called "Parties," have requested that Western purchase the individual REC amounts requested by the years set forth in Attachment 1 on their behalf:

U.S. Department of Energy, Richland Operations Office
U.S. Department of Energy, Office of Science, Berkeley Site Office
U.S. Central Intelligence Agency
U.S. Environmental Protection Agency, Superfund Program

Timing: Offers submitted in response to this RFP must be received via MAIL or FAX to Western on or before July 1, 2011, at 4:30 p.m. MDT to be considered for evaluation. E-mail offers will not be considered. Western reserves the right to not consider any proposals received after the prescribed dates and time.

2. **DEFINITIONS:** The definitions of certain terms used in this RFP are as follows:
- 2.1 **Contractor:** The successful Offeror(s), Supplier(s), or Generator(s) for sale to Western of RECs under this RFP.
- 2.2 **Emissions & Generation Resource Integrated Database (eGRID):** A comprehensive source of data on the environmental characteristics of almost all electric power generated in the United States. eGRID is unique because it links air emissions data with electric generation data for power plants in the United States. Annual output emission rates for greenhouse gases (GHGs) can be used as default factors for estimating GHG emissions from electricity use when developing a carbon footprint or emission

inventory. Annual non-baseload output emission rates should not be used for those purposes, but can be used to estimate GHG emissions reductions from reductions in electricity use. For more information, visit the following website: <http://cfpub.epa.gov/egridweb/index.cfm>.

- 2.3 Fiscal Year (FY):** Is defined as October 1 through September 30. FY and Contract FY are used interchangeably in this solicitation.
- 2.4 Generator:** The entity having ownership of the renewable generation producing the RECs. The Generator may also be the Offeror/Supplier.
- 2.5 Offeror/Supplier:** The provider of, but not necessarily the generator of, RECs.
- 2.6 REC Contract:** The contract(s) that will be executed between Western and the Contractor(s) to formally contract for purchase of RECs for the Party(ies).
- 2.7 Renewable Energy (RE):** Generally defined as the electric energy, measured in megawatt-hours (MWh), which is generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project, and is physically delivered into the electric grid.

Qualifying RE facilities are further defined by Section 203 of the 2005 Energy Policy Act, Executive Order (EO) 13423, and Green-e. Please refer to the following locations for the exact definitions of qualified RE facilities for this RFP:

http://www1.eere.energy.gov/femp/technologies/renewable_requirements.html and http://www.green-e.org/getcert_re_stan.shtml

- 2.8 Renewable Energy Certificate (REC):** Also known as a Tradable Renewable Certificate or "green tag," represents the environmental, social, and other positive attributes of power generated by renewable resources. These attributes include the tons of GHGs that were avoided by generating electricity from renewable resources instead of fuels, such as coal, nuclear, oil, or gas. These renewable attributes are sold separately as RECs. One REC is issued for each MWh unit of RE produced. The electricity that was split from the REC is no longer considered "renewable" and it cannot be counted as renewable or zero-emissions by whoever buys it. REC and RECs are used interchangeably in this solicitation.
- 2.9 REC Request for Proposals (RFP):** A solicitation that requests offers in response to a government effort to acquire RECs.

2.10 Retirement Certification: Documentation that certifies the RECs provided will not be marketed, sold, or transferred to any entity other than the Party(ies), or presented as a component of the Generator's energy products.

3. STATEMENT OF WORK AND SPECIFICATIONS

3.1 REC Acquisition Requirements: Western is requesting firm, fixed, per-MWh unit price offers for each FY for the transfer of RECs on behalf of any or all of the Parties for terms of each FY beginning FY 2011 through FY 2015. Attachment 1 to this RFP outlines the Party(ies), the amount of RECs in MWh that the Party(ies) seeks to acquire, and, as applicable, the type of resource, location of generation, and other considerations.

3.2 Proposal Criteria: Western will consider proposals that offer to supply one or more of the Bid Line Items for the Party(ies) as set forth in Attachment 1. Western may aggregate more than one proposal to meet the requirements of this RFP.

3.2.1 The RECs to be purchased shall meet, at a minimum, the RE definitions and qualifications as stated in Section 2.7 and considerations for each REC Bid Line Item as specified in Attachment 1.

3.2.2 All RECs to be provided under this acquisition must be generated within the United States and shall contain all its original environmental attributes as defined in Subsection 2.8, above, and as specified in Attachment 1.

3.2.3 All RECs must be generated in the same FY for which the RECs are purchased, or as allowed by certification methodology described in Subsection 3.4.

3.3 Start Date: The start date for the RECs contract period is October 1, 2011.

3.4 REC Certification: Offerors may be required to certify that the RECs are "green" using one of the following certification methods: a nationally recognized renewable electricity certification program such as Green-e; TerraChoice, or similar program; an independent auditor's report; or a third-party certification methodology approved by a state governmental entity, a regional transmission entity, or power pool in which the renewable resource is located. Certification is subject to the approval of Western and the Party(ies) prior to the REC Contract award. The REC Certification method will be included in the REC Contract(s). Bid line items requiring certification are noted as such on Attachment (1).

3.5 Renewable Energy Generator Verification: At the time of delivery, Western requires the Offeror and the Generator to submit verification forms (see Attachments 2 and 3) describing the resource and amounts generated

in the Contract FY. Further, the attestation verifies that the RECs have not been sold, marketed, or transferred to another party outside of this REC Contract, or otherwise presented as a component of its energy product and must contain all their original environmental attributes.

3.6 Transfer of REC Title: The Contractor will transfer the applicable RECs to the Party(ies) following the schedule described in Attachment 1. The RECs transferred to the Party(ies) under and pursuant to a RECs Contract will be represented by a certificate, hereinafter called a Transfer Certificate. An authenticated copy of this Transfer Certificate will be provided to Western by the Contractor following the same schedule as described in Attachment 1.

3.6.1 All REC transfers to the Party(ies), in the annual amounts and types, must be completed by the dates specified in Attachment 1 of the following Contract FY as shown on Attachment 1.

3.6.2 Western and the Party(ies) reserve the right to unilaterally terminate the REC Contract(s), without penalty or obligation to the Supplier, for the Supplier's failure to deliver RECs in the amounts, types, and timeframe as described in Paragraph 3.6.1

3.7 Invoice and Payment: All invoicing shall be based on the actual annual quantity of RECs purchased by and transferred to the Party(ies) on the basis specified in Attachment 1, beginning on the actual start date of the REC Contract. The RECs invoiced under the REC Contract must be generated in accordance with the criteria set forth in Subsection 3.2 and certified in accordance with Subsections 3.4 and 3.5. The Contractor will only be permitted to invoice for charges allowed under the terms and conditions of the REC Contract. The invoicing address will be specified therein. All invoices must be accompanied by a fully completed Certificate of Transfer. An authenticated copy of each invoice will be provided to Western.

3.8 Additional REC Amounts: The Party(ies) may request Western to contract for (1) the transfer of RECs for additional facilities, or (2) the transfer of additional REC amounts for the facilities described in this RFP. If Western considers the request within the original scope of the REC Contract, Western shall provide the Contractor with the additionally desired REC amounts. Western and the Contractor will review requests for additional REC's and decide whether to extend the full terms and conditions of the REC Contract to cover the proposed additional purchase through modification to the contract.

4. RFP SUBMISSION REQUIREMENTS: Offerors must fully address each of the following submission requirements to be considered for this solicitation:

4.1 Contact Information: Offerors must provide: company name, contact person, physical mailing address, phone number, fax number, and e-mail address.

- 4.2 Renewable Energy Facilities and REC Amounts:** Offerors must provide the following information: identify which Bid Line Items in Attachment 1 they propose to serve with RECs; type of generation resource (e.g., solar, wind, biomass, etc.); the name(s) and location(s) of the generating facility(s) from which the RECs originate, including zip code; the original operational date of the generator(s) producing the RECs; and the annual amount of RECs offered from the proposed generator(s).
- 4.3 Cost:** Offerors must specify the firm, fixed, per-MWh unit price for the offered RECs for each Contract FY as identified in Attachment 1.
- 4.4 Past Performance:** Documentation must be submitted describing relevant past experience and performance regarding the transfer of RECs. Past performance may include Federal and non-Federal customer references. The Offeror must provide current contact information for all past performance references provided. The Offeror agrees to permit Western's representatives to contact the listed references and inquire about the Offeror's past performance. Failure to provide past performance documentation may result in exclusion from further evaluation/consideration. Offeror's with no past performance due to recent business establishment/incorporation must provide supporting documentation verifying the same.

5. EVALUATION CRITERIA

- 5.1 Best Value:** Utilizing the flexibility allowed under Western's power marketing authority, Western intends to award one or more REC Contracts to Offeror(s) that Western considers as providing the best overall value and that otherwise meets the terms of this RFP.
- 5.1.1 Past Performance:** Each Offeror(s) past performance, if any, shall be considered in evaluating which qualified offers provide the best overall value. Offeror(s) with no past performance may receive a neutral past performance assessment.
- 5.1.2 Price:** REC firm, fixed, per-MWh unit price shall be considered in evaluating which qualified offers provide the best overall value.
- 5.1.3 Location:** e-GRID source location may be utilized in determining best value.
- 5.2 Submission Requirements:** An offer will be considered for evaluation if it complies with the submission requirements set forth under Section 4. Western reserves the right to seek additional information for, or clarification of, an individual offer as needed without notification to all Offerors.

6. GENERAL REC CONTRACT PRINCIPALS:

- 6.1 Contingent on Appropriations:** Where activities provided for in the REC Contract extend beyond an individual FY, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the REC Contract. In case such appropriation is not made, the Contractor hereby releases the United States from its contractual obligations and from all liability due to failure of Congress to make such appropriation.
- 6.2 Covenant Against Contingent Fees:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the REC Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, Western and the Party shall have the right to annul the REC Contract without liability or in its discretion to deduct from the REC Contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
- 6.3 Contract Work Hours and Safety Standards:** The REC Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
- 6.4 Equal Opportunity Employment Practices:** Section 202 of EO No. 11246, 30 Fed. Reg. 12319 (1965), as amended by EO No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the Offeror will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, must be incorporated into the REC Contract. Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.
- 6.5 Use of Convict Labor:** The Offeror agrees to not employ any person undergoing sentence of imprisonment in performing the REC Contract except as provided by 18 U.S.C. § 3622(c) as amended or supplemented, and EO 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

7. PROCESS AND TIMING

7.1 Timing: Offers submitted in response to this RFP must be received via MAIL or FAX to Western on or before July 1, 2011, at 4:30 p.m. MDT to be considered for evaluation. E-mail offers will not be considered. Western reserves the right to not consider any proposals received after the prescribed dates and time.

7.2 Submission of Responses: Western will accept offers that are submitted by mail via the U.S. Postal Service or an equivalent private mail carrier (e.g., UPS or FedEx). The address for submission of responses via the U.S. Postal Service or private carrier is:

Western Area Power Administration
Upper Great Plains Region
ATTN: Mike Radecki (REC Project Manager)
2900 4th Avenue North
6th Floor
Billings, MT 59101-1266

Offers may also be faxed to Western at (406) 255-2900, ATTN: Mike Radecki. Fax verification is (406) 255-2937. **Offers submitted via hand or electronic mail delivery methods will not be considered.**

7.3 Questions: Questions regarding this RFP will be accepted **only via e-mail to radecki@wapa.gov until June 28, 2011**. Please include the date of this RFP in your submission. All questions and responses will be electronically posted for public view. Western will not provide notification that questions and or responses have been posted. Prospective Offerors are encouraged to check the following location:
www.wapa.gov/ugp/powermarketing/RenewEnergyCert/2011REC.htm

7.4 Notification of Receipt: A written acknowledgement of receipt of offers will not be provided. Offerors therefore are strongly encouraged to ensure that adequate tracking measures are taken with respect to their mailed or faxed offer.

7.5 Evaluation of Offers: Western will consider all offers received on or before the date and time set forth in Subsection 7.1 of this RFP. Offerors should not expect Western to enter into discussions about their proposals and should accordingly submit their best offer in their initial proposal. Western reserves the right to request best and final offers from one or more Offerors, and to award or not award any REC Contract(s) as Western ultimately deems appropriate. REC Contract award decisions will be made by Western, in consultation with all or any of the respective Party's representatives.

7.6 Notification of Award and Subsequent Contracting: Western will notify successful Offeror(s) regarding selection for contract negotiations, and will seek to negotiate and award the REC Contract(s) as soon as practicable. A direct notification to unsuccessful Offerors will not be provided. However, after award, Western will post a general notification announcing contract(s) award(s), including successful awardee(s), on its website, www.wapa.gov/ugp/powermarketing/RenewEnergyCert/2011REC.htm.

8. CONFIDENTIALITY AND USE OF INFORMATION IN OFFERS: Western will share information contained in submitted offers with other Western staff and may also share the information with the Party(ies) and their designated representatives. Offeror(s) wishing to have part or their entire offer not made available to the public should so indicate by marking the applicable portions “Confidential.”

9. CONTACT INFORMATION:

Mike Radecki (REC Project Manager)
Western Area Power Administration
Upper Great Plains Region
2900 4th Avenue North
6th Floor
Billings, MT 59101-1266
radecki@wapa.gov

Attachment 1 REC Bid Schedule

Western is requesting firm, fixed, per-MWh unit price, per year offers for the transfer of RECs on behalf of the Parties for each FY for contract terms October 2011 up to September 2015. Proposals are requested for Bid Line Items 1 through 4 below.

<u>Bid Line Items</u>	<u>REC MWh Per Fiscal Year</u>						<u>Special Considerations</u>	
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Location and Type of Generation</u>	<u>Verification/Certification Requirements</u>
1. Department of Energy, Richland Operations Office <i>1/</i> , <i>2/</i>	0	30,000 - 43,000	30,000 - 43,000	30,000 - 43,000	30,000 - 43,000	30,000 - 43,000	Prefer Pacific Northwest or Upper Great Plains Region	EPAct 2005 / EO 13423
2. Department of Energy, Office of Science, Berkeley Site Office <i>1/</i> , <i>2/</i>	0	0	0	65,000 – 85,000	65,000 – 90,000	0	Within United States	EPAct 2005 / EO 13423
3. Central Intelligence Agency <i>1/</i> , <i>2/</i>	10,000 – 30,000	10,000 – 30,000	0	0	0	0	Within United States	EPAct 2005 / EO 13423
4. Environmental Protection Agency Option 1 <i>2/</i> , <i>3/</i>	0	80,000	0	0	0	0	Within United States	Green-e Certified
5. Environmental Protection Agency Option 2 <i>2/</i> , <i>3/</i>	0	80,000	0	0	0	0	Within United States	EPAct 2005 / EO 13423

1/ REC MWh range reflects best estimate of minimum guarantee and potential maximum annual purchase. Purchaser requests ability to identify actual annual REC quantity (above minimum) by July 31 of each FY.

2/ Delivery date is no later than November 30 of the following FY.

3/ Only Bid Line Item 3 or 4 (not both) will be awarded.

**Attachment 2
Annual Renewable Certification from REC Provider
(Sample)**

I, _____,
(print name and title)

declare under penalty of perjury, on behalf of

_____, that
(name of REC provider)

- (1) all the RECs associated with this invoice were generated by eligible RE Generators as defined in Contract No. 10-UGPR-_____;
- (2) all the renewable attributes, including any emissions reduction credits or emissions allowances, represented by the REC sales reported in RE Certificate of Transfer were transferred to Western; and
- (3) the renewable attributes represented by the REC sales reported in RE Certificate of Transfer were not and will not be sold, marketed, or otherwise claimed by a third party.

REC Product

Generating Facility	MWh Generation	From: (date)	To: (date)	Fuel Type

I further declare that the RECs claimed for the REC products LISTED ABOVE and reported in the RE Certificate of Transfer were sold once and only once, and that the electrical energy that was generated with the RECs reported in the RE Certificate of Transfer was not and will not be sold, marketed, or otherwise represented as renewable energy and was not and will not be used to meet any Federal, state, or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate. As an authorized agent of the aforementioned Company, I have authority to submit this report on the company's behalf.

Signature _____ Date _____

Place of Execution _____

Address of Providing Company: _____

**Attachment 3
Annual Renewable Generator
Verification and Certification Form
(Sample)**

1. Facility Information

Name of Facility: _____

Date from _____ to _____

Address of Facility: _____

Facility ID Number: _____ EIA or QF? (circle one)

Contact Person: _____

Title: _____

Telephone: _____ Fax: _____

Resource Type (Indicate Fuel Type)	Capacity ^{1/} (MW)	MWh/RECs Sold to Provider	Date Facility First Operational	NOx Emissions (Lbs/MWh)	Period of Delivery (mm/yy)

^{1/} Please enter Energy Information Administration (EIA) identification number for the generating facility. If the facility does not have an EIA number, please enter the utility-assigned Qualifying Facility (QF) identification number.

2. Declaration

I, _____,
(print name and title)

declare under the penalty of perjury, that the information provided on this form is true and correct to the best of my knowledge.

Further, I declare that the _____ MWhs of RECs
(indicate number of MWh)

listed above were sold exclusively to _____.
(name of REC provider)

Further, I declare that

- (1) all the renewable attributes, including any emissions reduction credits or emissions allowances, represented by the renewable electricity generation listed below were transferred to the REC provider above;
- (2) to the best of my knowledge, the renewable attributes were not and will not be sold, marketed, or otherwise claimed by a third party;
- (3) the renewable attributes were and will be sold once and only once;
- (4) the electrical energy that was generated with the attributes was not used on-site for generation; and
- (5) the electrical energy that was generated with the attributes was not and will not be separately sold, marketed, or otherwise represented as renewable energy and was not and will not be used to meet any Federal, state, or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate.

Further, I declare that the facilities that generated all of the _____ RECs.
(indicate number of MWhs)

sold to _____
(name of REC provider)

are listed above by fuel type.

As an authorized agent of _____,
(generating company name)

I attest that the above statements are true and correct.

Signature: _____ Date: _____

Place of Execution: _____

Address of Generating Company: _____
